

(WASHINGTON, DC) -- Congressman Wally Herger (R-CA) issued a statement in response to an [analysis](#) he requested from the nonpartisan, independent experts at the Department of Health and Human Services' Centers for Medicare & Medicaid Services (CMS). The report shows national health care costs will increase significantly – by \$289 billion – if the House Democrats' bill (H.R. 3962) were enacted. Herger introduced a [resolution](#) requesting that Speaker Pelosi allow members seventy-two hours to review the findings of this study prior to the House vote on her plan for government-run health care. Instead, House Democrats rushed the bill to a vote without all information about the long-term impact on health care costs:

"It is now obvious why Speaker Pelosi wanted to rush her plan for government-run health care through the House without all the proper information. The American people have unequivocally stated that lowering costs is their number one priority when it comes to health care reform. But instead, the Pelosi plan will skyrocket health care costs by \$289 billion. This report is not just bad news politically for House Democrats, it's bad news for the American people. I urge the Senate to carefully consider the long-term damaging impact that these spending increases will have on the American economy."

In analyzing the House-passed health care bill, the CMS actuaries found the following:

- **Costs Increase:** "In aggregate, we estimate that for calendar years 2010 through 2019 [national health expenditures] would increase by \$289 billion." [Page 12]
- **Savings Provisions Ineffective:** "Most of the provisions of H.R. 3962 that were designed, in part, to reduce the rate of growth in health care costs would have a relatively small savings impact." [Page 3]
- **Seniors' Care Jeopardized:** The Democrats' bill would cut Medicare by more than one-half trillion dollars (\$571 billion), resulting in doctors and other health providers finding "it difficult to remain profitable and might end their participation in the program (possibly jeopardizing access to care for beneficiaries)." [Page 8]
- **Employees Lose the Coverage They Have:** "[S]ome smaller employers would be inclined to terminate their existing coverage, and companies with low average salaries might find it to their—and their employees'—advantage to end their plans" [Page 7]
- **Massive Entitlement Expansion:** Under the House Democrats' bill, "about three-fifths" or

60 percent of the uninsured who gain coverage would do so by being dumped into Medicaid.
[Page 6]

- **Shortage of Doctors and Hospitals:** In stating that “consideration should be given to the potential consequences of a significant increase in demand for health care meeting a relatively fixed supply of health care providers and services,” CMS warns that those in need of care may face long wait lines if the House Democrat bill was enacted. [Page 15]

Background on Health Care Costs: The United States currently spends more than any other country on health care, and twice as amount as the next closest country. Per capita health care spending in the U.S. is already twice as high as the spending rates in Canada and two-and-one-half times higher than those in the UK. There is widespread agreement that this unsustainable. In fact, President Obama’s budget chief, Peter Orszag, said that, “The single most important thing we can do to improve the long-term fiscal health of our nation is slow the growth rate in health care costs.” However, CMS found that H.R. 3962 does the exact opposite. Specifically, CMS predicts that over the next 10 years, national health expenditures will jump by an additional \$289 billion.